

on the web page is obscured or in some form inadequate.

Privacy policies meant to inform users of both the scope and scale of this information are very often inaccessible. A recent California Healthcare survey of 21 popular health care sites reveals many sites have secretly shared personal health information with marketers despite the fact that privacy policies were posted. Often the opt out sites are not adequately displayed. They often are misleading. Sometimes, as this study by California Healthcare indicates, they are just plain dishonest.

There are, however, solutions. I believe these solutions are important to protect privacy. I remind those who are now marketing on the Internet and share my enthusiasm for the potential of the Internet for economic purposes that we have a common interest. If consumers do not believe their interests are protected regarding safeguarding their most vital personal information, the Internet will never reach its true economic potential. This point bears repeating. This is vital for privacy in our society and personal confidence in the Internet, but it is equally vital for the Internet in meeting its economic potential.

Great segments of this society are going to be reluctant to purchase books, health care products, seek information, and exchange ideas if they do not know whether the information is safeguarded. It is no different than citizens using the telephone to convey information, exchange political ideas, or purchase products, if citizens did not have some idea that their every phone conversation wasn't being monitored. It wouldn't be any different than citizens visiting the local shopping mall, meeting friends, engaging in conversations, going to restaurants, or purchasing products, if they knew that over their shoulder someone was recording everything they did and everywhere they went. This is vital economically as well for the privacy of our citizens if this new, wonderful technology is to meet its economic potential.

To deal with this problem, I have introduced S. 2063, the Secure Online Communication Enforcement Act of 2000. This legislation is not a final product, I stress to privacy advocates and to the Internet industries and online companies. It is not a final product. It is establishing, I hope, a national dialog first to educate ourselves about the privacy problem in cyberspace. It is a beginning document to which I invite comment and amendment. Its purpose is simply to begin collecting ideas of how to enhance privacy. But it is built on the concept of opting in versus opting out; that is, that the consumer, the citizen, must make a choice about whether they want this information shared. So the consumer, the individual, holds the power.

If I believe a company can better market to me—and, indeed, I believe a company can better market to me if

they know my taste in music, my taste in reading, my taste in clothing or automobiles—I can decide that I want that information shared, given to other companies, and come back to me with good information. However, if I don't want something shared—perhaps I have gone online with a health care company and I prefer my health information not be shared—I do not opt in, I do not give anybody the right to give that information.

A second vital part of this bill: I strongly believe government oversight and regulation of the Internet should be kept to a minimum. That is one reason I have opposed steadfastly a sales tax on Internet purchases. This is one area of American life where the government should keep its presence to an absolute minimum in taxation and regulation. For that reason, this legislation is self-enforcing. No government bureaucracy will be calling if there is a violation. If, indeed, a company violates a citizen's privacy, the right of action is with the citizen, not the government. There is a legal right of action when sharing my personal information which I have said will not be shared. If I did not give anyone that right, then I as a citizen will hold them liable for doing so.

Those twin pillars are: As a citizen, I decide whether to share my private service; second pillar, as a citizen, I and not the government have the right of action to enforce it.

I have introduced this new legislation to begin this dialog, S. 2063, the Secure Online Communication and Enforcement Act of 2000. I hope it is helpful to my colleagues. I hope a good and worthwhile debate proceeds in the Senate, in our country, and, mostly, within this vital industry. If we can get this right, we not only do service to our people by protecting their privacy, as is our cultural and constitutional tradition, we also do a great deal to reinforce public confidence in the Internet, cyberspace, as a new arena of economic commerce and competition. We can bring the Internet to reach its true economic potential.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

Mr. DODD. Mr. President, parliamentary inquiry: What is the business before the Senate?

The PRESIDING OFFICER. The Senate is in morning business.

Mr. DODD. Mr. President, are there limitations on the amount of time Members are allowed to speak?

The PRESIDING OFFICER. Ten minutes.

## EDUCATION

Mr. DODD. Mr. President, while legislation is not presently pending before the Senate, I understand that the leadership intends to soon call up an education proposal by Senator COVERDELL, a tax cut that would allow families with an adjusted gross income of up to \$95,000 for single filers, \$150,000 for joint filers, to make contributions to individual retirement accounts up to \$2,000 per child for K-12 education expenses, including private school tuition, during the tax periods from the year 2000 to 2003. As I understand it, the revenue loss of this proposal is somewhere in the neighborhood of \$1.3 billion. I believe I am correct in so characterizing this proposal.

First of all, I am somewhat surprised this legislation is coming up at this time. We are about a week away from the education committee of the Senate reporting out, I hope, a bill on elementary and secondary education. We are required under law to authorize the Elementary and Secondary Education Act once every 5 years. That bill actually tolled last year but obviously we are still in this Congress, so we have an obligation to report to our colleagues our thoughts and solutions on the needs in elementary and secondary education in this country. The Committee on Health, Education, Labor, and Pensions, of which I am a member, has held something in the neighborhood of 20 to 25 hearings over the last year and a half on this legislation, and I have listened to literally dozens and dozens of witnesses about how we can do a better job improving the quality of education in this country.

I know in the last week or so, in surveys done by polling operations that are both of the Democratic persuasion and the Republican persuasion, they have indicated what most of us knew already, that education is the single most important issue the American public thinks we need to address. I think the numbers were 38 percent of the American public listed education as the lead priority issue that Congress ought to deal with, on which the American people would like to see us focus more attention. Education placed higher than the public's concerns about Social Security and Medicare by some three points, and health care by seven points. Those were the top three responses: education, Social Security, and Medicare, and health care generally, with education surpassing those concerns with some 38 percent.

It is appropriate this Congress deal with education. What I am stunned by is that 1 week away from action by the major committee charged with the responsibility of dealing with education issues, the leadership has decided to bring up the Coverdell bill rather than waiting for the committee product to come out, after having waited now a year and a half for it. So on one level I am disappointed that the leadership has decided to bring up this legislation prior to the education committee's

markup of the Elementary and Secondary Education Act.

Further, I take particular issue with the legislation that will soon be before us, the Coverdell proposal. I have a lot of respect for my colleague from Georgia, Senator COVERDELL, but he and I have significant disagreements on some issues, and on this one particularly. Let me inform my colleagues what this bill would do. Obviously, a tax break designed to help defray the costs of education for grades K-12 sounds very good. It is a lot of money, \$1.3 billion. But let me explain specifically how this legislation would actually impact people's tax obligations.

According to a Joint Tax Committee report, which is an objective committee that is not supposed to take partisan issue with any particular bill, the average benefit per child in public schools would be \$3 in the year 2001, \$4.50 in the year 2002, and \$6 in the year 2003, reaching a high mark of \$7 in the year 2004, or a total of \$20.50 over 4 years. That is \$1.3 billion in lost tax revenues to provide the average taxpayer with \$20.50 in tax relief. That is going to be the answer to how we improve public education in this country, this legislation purports.

No one is going to suggest that this Congress has a perfect record on tax cut proposals, but I noticed recently in a national survey that only some 13 percent of the American public thought at this juncture a tax cut was necessary, that they would rather see us spend the surplus we are accumulating, the non-Social Security surplus, on Social Security, Medicare, and educational needs in this country. While people certainly like the idea of a tax cut, they like better the idea we are reducing our national debt. Shouldn't we be working to eliminate the approximately \$220 billion in interest payments we pay each year on the national debt? What greater gift could this generation give to future generations than ensuring their National Government would be free of debt?

Almost without exception, Americans would rather we reduce our national debt than receive \$20.50 over 4 years for an educational tax benefit proposal that is not going to do much at all. If your child is enrolled in a private school, \$20.50 will provide very little assistance. The decision of whether or not to take \$1.3 billion of taxpayer's money and give people, on average, \$20.50 as opposed to paying down the national debt or dealing with Medicare or dealing with broader educational needs, I think is an easy one. I don't think we need much persuasion—I hope—when these clear choices are before us.

Certainly with \$20.50 we are not going to get smaller class sizes, which most Americans think is important. Certainly we are not going to get better qualified teachers, which most Americans think is important. This legislation is not going to modernize crowded, old, and unsafe school facilities. It is

not going to wire these schools so students have the advantage of the Internet and modern technology to better prepare them for their futures. It is certainly not going to help school districts cope with the costs of special education.

There is an issue, however, that we do have the opportunity to do something about. If you want to take \$1.3 billion and do something, and if paying down the national debt doesn't impress you, why not do something about special education costs? Why not take the \$1.3 billion and apply that towards the Federal Government's commitment to local communities to help them meet their special education costs? Our respective States know well the complaints of our mayors and our county executives, that the cost of special education is rising all of the time. They also know the Federal Government made a commitment years ago pledging 30 to 40 percent of the cost of special education services.

The Federal Government has never gotten above 13 percent of that commitment. If we want to do something meaningful for our communities, be they Colorado or Connecticut, if we want to spend this money on education, why not return the money to our States and allow them to meet the costs of special education? I promise you, there is not a mayor in this country, there is not a county executive in this country, there is not a school board in this country that would not applaud a decision by this body to provide some meaningful help on defraying the costs of special education. Believe me, if the choice is one between helping our local school districts or giving \$20.50 over 4 years as a tax break to the people in their communities, they will take the special education option every time.

I intend to offer an amendment to the underlying bill. At the first opportunity, I am going to offer an amendment that will take the \$1.3 billion and apply it to special education and let us do something meaningful in our respective States.

Let me share with my colleagues the background on the special ed proposal.

In my view, it is a waste of fiscal resources to be spending \$1.3 billion on this minor tax break, \$20.50 over 4 years. One cannot buy hamburgers for a family of four at MacDonald's or Burger King with this amount of money. As I said earlier, however, these funds can make a difference in the area of special education. Let's take a look at how my proposal will make a difference.

It will strengthen public schools by assisting them with the very high cost of special education. Upon enactment of the Individuals with Disabilities Education Act in 1975, the Federal Government committed to State and local school districts that it would contribute 40 percent of the funds needed to provide special education services. Twenty-five years ago we made that commitment.

Presently, the Federal contribution to special education is 12.7 percent of the total special education costs. The Federal Government today would need to boost its IDEA funding an estimated \$15.7 billion to live up to its original commitment. I am not suggesting \$1.3 billion is going to get us to the 40 percent level, but it would be a major step in the right direction.

The amendment that I plan to offer will redirect the \$1.3 billion over 4 years that the Coverdell amendment applies, to aid State and local school districts in providing the critically important special education services that children with disabilities deserve. This proposal will truly do something for our communities, I suggest to my good friend, the Presiding Officer, in his wonderful State of Colorado and my State of Connecticut. This will truly make a difference. This proposal will strengthen these local school districts.

I believe it is better for us to take this money, which the Coverdell legislation will take out of general revenues of the Treasury, and apply it to something for which our constituents and our communities will be grateful. Mr. President, \$20.50 does not put a dent in our real education needs.

I emphasize, again—and this is the first point I made—I am somewhat disappointed we are bringing up this proposal just days away from the Committee on Health, Education, Labor, and Pensions reporting out its bill on the elementary and secondary education proposals, as we have done historically over the years. But 5 or 6 days before the committee acts, after all the hearings the committee has held, all the time that has been invested by Republicans and Democrats on the committee who care about education and have listened to people from across the country offering their suggestions on how we can best improve the quality of education, it is a great pity, in my view, that we are going to disregard that exercise and come right to the floor with a tax-cut proposal that does little or nothing to improve the quality of education in our country.

At the appropriate time, I will offer an amendment that will require this \$1.3 billion to go directly to our school districts, to our communities, to provide the financial support they can use, given the high cost of special education in communities all across the country, and help us get closer to fulfilling that commitment we made 25 years ago of meeting 40 percent of the costs of special education.

I have offered this amendment in the past. This amendment has had bipartisan support. When I offered this amendment in 1994, the majority leader, Senator LOTT, supported the amendment, as did Senators GORTON and JEFFORDS. However, eventually we came short of the majority necessary to adopt the amendment.

In fact, the distinguished majority leader, Senator LOTT, to his great credit, when he and I served together on

the Budget Committee years ago supported a similar amendment to the one I'm proposing today. When I offered an amendment in the Budget Committee that would require that over a number of years we increase the federal contribution to special education to 40 percent, it unfortunately fell on a tie vote.

As some people are aware, the Federal Government commits only 7 cents on the dollar to fund elementary and secondary education services in this country. Seven cents on the dollar is what we do; 93 cents on the dollar comes from the States and local governments, and most funding for education comes from local taxation.

My proposal offers a way for the Federal Government to provide some real tax relief at the local level for special education costs that these communities must raise in order to meet their obligations under the Individuals with Disabilities Education Act.

I am hopeful that, while this amendment has not been adopted in the past, given the choice between a \$20.50 tax break over 4 years and taking \$1.3 billion and sending it back to our communities to help them meet their special education costs, this amendment may prevail this time. Our children with disabilities and our communities deserve our support. I then hope we can move on to the real business of continuing our work on the Elementary and Secondary Education Act.

#### RECESS

Mr. DODD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, at 1:10 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. GREGG).

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of New Hampshire, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

#### AFFORDABLE EDUCATION ACT OF 1999

Mr. LOTT. As we discussed earlier and agreed to, I now ask unanimous consent that the Senate turn to Calendar No. 124, S. 1134, the education savings account bill.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1134) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement

accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. In order to keep the Senate on the subject of the education savings accounts, I ask unanimous consent that the bill be pending today for debate only.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. Mr. President, I hope when the Senate resumes the bill tomorrow, that all amendments will be relevant to the education savings account issue. I intend to ask that our Democratic colleagues at a later time agree to that. In the meantime, I expect vigorous discussion today about this very important education issue and how we can all have an opportunity to be helpful to our children in K through 12th grades.

In light of the agreement, there will be no votes during today's session. I remind Members that a rollcall vote is scheduled to occur tomorrow at 11:30 a.m. on the Iran Nonproliferation Act. There is a likelihood that there will be more votes Thursday afternoon, perhaps on Executive Calendar items. We will notify Members of any nominations that might be considered. If votes are required, then we will notify Members on both sides of the aisle exactly what time that would occur.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. We are very grateful that we have an opportunity to talk about education. There are many things that we need to talk about as it relates to education. Certainly, this is a step in the right direction.

I personally believe very strongly about the fact that in America we have 3,000 children dropping out of high school every day—3,000 children who are going to be less than they could be. I think we need to do something about that.

On a number of occasions we have attempted to move legislation forward that would help create a dropout czar in the Department of Education to adopt some of the educational programs that are working around the country.

We in Nevada are particularly concerned with the dropout rate. We have the dubious distinction of leading the Nation in the rate of high school dropouts. We really need to do something about that. This problem is making our country less productive. It is making the State of Nevada less productive. For this reason alone, I think it is important that we start talking about education.

I do say that on the education savings account issue—of which there will be some discussion today by the ranking member of the Education Labor Committee, who will talk in more de-

tail about this—but as the Senator from Massachusetts knows, we could take all these programs, including education savings accounts, and lump them together, and very few people would be helped. We need something to help public education generally.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I am disappointed that we have failed to obtain a unanimous consent agreement to limit amendments with respect to S. 1134, the Affordable Education Act. I hope that we will move towards passage of this very significant bill. The importance of giving American families the resources and means they need to educate their children must be above politics.

I will soon take a few minutes to walk through the various provisions of the bill. But before I get into the specifics, let me remind my colleagues that all of the concepts in this bill should be very familiar.

This bill is an A+ for American education. Its concepts should be familiar because we have already endorsed them. The base provisions in the bill—which include the increase in the maximum allowable contribution to an education IRA, the use of the IRA for elementary and secondary school expenses for public and private schools, the tax-free treatment of State-sponsored prepaid tuition plans, and the extension of tax-free treatment for employer-provided educational assistance—all received bipartisan support from the Finance Committee in the Senate as part of the Taxpayer Relief Act of 1997.

Despite this Senate support, these provisions were dropped from the bill during conference negotiations. Because of opposition from the administration, these particular elements failed to be included in the final version of the Taxpayer Relief Act of 1997.

In addition, these proposals were included in legislation sent to the President in 1998. Unfortunately, the President vetoed that legislation.

These bipartisan proposals were included in the Taxpayer Refund and Relief Act of 1999, which passed last year. Unfortunately, the President vetoed that legislation, as well.

But we must not lose heart. The cause of affordable education is too important. I hope this time we can succeed for the American people.

We are here today to show our commitment to affordable education and to enact what this body determines makes good sense for American families.

It is important to note that this tax bill is not designed to answer all the education-related issues that face this country. Many issues are too varied and complicated to be addressed by the Federal Government. They need to be solved at the State and local level—by schools, by teachers, and by parents working together.